Bjornson, John D.

From: Cartledge, Carol F.

Sent: Thursday, August 01, 2013 2:29 PM

To: Oehlke, H. Dave

Cc: Bjornson, John D.; Anderson, Maggie D.; Steffl, Heather D.; McDermott, Debra A.

Subject: FW: Number of ND households, with children, at or below 85% SMI

Good Afternoon,

Following is requested information presented during the Economic Impact Committee - what is the percentage of families at 85% of state median income?

- US Census does <u>not</u> provide counts of families based on state income distribution. US Census does provide readily available counts based on Federal Poverty Level (FPL), but only up to certain levels (e.g., 185% FPL).
- The ND State Data Center (Dept. of Commerce) does <u>not</u> provide counts based on state income distribution either.
- By definition, state median income (SMI) is "the amount which divides the income distribution into two equal
 groups, half having incomes above the median, half having incomes below the median. The medians for
 households, families, and unrelated individuals are based on all households, families, and unrelated individuals,
 respectively. The medians for people are based on people 15 years old and over with income." Therefore, based
 on this definition, the number of households at 85% SMI would be less than 50% of all households.
- In comparing North Dakota's state median income (American Community Survey, 2009-2011 3-years estimates) with the 2013 Federal Poverty Guidelines, for a household of size 4, 85% SMI approximately equals 275% federal poverty level (FPL). The US Census data tool "Table Creator" was used to estimate the number of North Dakota households, with children, at or below 275% FPL. This equals 33,935 households (source: Current Population Survey, Annual Social and Economic Supplement, 2013; 3-year average, data collected in 2010 to 2012).
- Caveats:
 - o This is an estimate, based on our rough comparison of SMI and FPL. The actual number of ND households, with children, at or below 85% SMI may be higher or lower than this estimate.
 - The Current Population Survey Annual Social and Economic Supplement is an annual survey of approximately 78,000 households nationwide. Therefore, extreme caution must be used when making inferences when the cell sizes are small.

Please let me know if you have questions or need additional information.

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